


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☒

APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Federal 29-1H				
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT WILDCAT				
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME CRESCENT				
6. NAME OF OPERATOR LIBERTY PIONEER ENERGY SOURCE, INC						7. OPERATOR PHONE 801 224-4771				
8. ADDRESS OF OPERATOR 1411 East 840 North, Orem, UT, 84097						9. OPERATOR E-MAIL dgunnell@libertypioneer.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU-77523/76557/8116			11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>				
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')				
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')				
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input checked="" type="checkbox"/>				
20. LOCATION OF WELL	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN			
LOCATION AT SURFACE	465 FNL 843 FEL		NENE	29	21.0 S	19.0 E	S			
Top of Uppermost Producing Zone	465 FNL 843 FEL		NENE	29	21.0 S	19.0 E	S			
At Total Depth	1108 FSL 1102 FWL		SWSW	21	21.0 S	19.0 E	S			
21. COUNTY GRAND			22. DISTANCE TO NEAREST LEASE LINE (Feet) 465		23. NUMBER OF ACRES IN DRILLING UNIT 40					
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 0		26. PROPOSED DEPTH MD: 4820 TVD: 2807					
27. ELEVATION - GROUND LEVEL 5009			28. BOND NUMBER UTB00034		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Thompson City municiple water					
Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Cond	20	16	0 - 40	0.25	Unknown	8.4				
Surf	12.25	9.625	0 - 1606	36.0	J-55 ST&C	9.0	Rockies Lite	483	2.08	12.8
Prod	8.75	5.5	0 - 4820	17.0	K-55 LT&C	9.5	Rockies Lite	260	2.08	12.8
ATTACHMENTS										
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES										
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER					<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN					
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)					<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER					
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)					<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Don Hamilton			TITLE Permitting Agent (Buys & Associates, Inc)				PHONE 435 719-2018			
SIGNATURE			DATE 06/24/2011				EMAIL starpoint@etv.net			
API NUMBER ASSIGNED 43019500150000			APPROVAL  Permit Manager							

RECEIVED: Jul. 07, 2011



Liberty Pioneer Energy Source, Inc.
Federal #29-1H
NENE, 465' FNL, 843' FEL, Section 29, T21S, R19E, SLB&M
Grand County, Utah
Lease # UTU-77523

ONSHORE ORDER 1: 9-POINT DRILLING PLAN

1. Estimated Tops of Geological Markers:

Formation Top	Depth (Est 15' KB) Vertical Hole	Depth (Est 15' KB) End of Build/ TD
Mancos Shale	Surface	Surface
Mancos Shale- Juana Lopez "M"	2466'	2532'/2795'
Mancos Shale- Juana Lopez "M" (Target CL)	2478'	2544'/2807'
Dakota Silt	2591'	2650'/2913'
Proposed TD of pilot hole	2700'	NA
Proposed TD of Horizontal Leg	NA	2807'

- All formation tops are based upon a GL elevation of 5009' and a rig KB height of 15'.
- All formation tops are presented in True Vertical Depth.

2. Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals: (per Proposed Wellbore Construction Diagram attached)

Formation	Depth (Est 15' KB)	Substance
Mancos- Juana Lopez "M"	2466'-2491' TVD near wellbore	Oil
Estimated TD Horizontal	2807' TVD, 4820' MD	

3. Pressure Control Equipment: (3000 psi schematic attached)

- A. Type: Eleven (11) inch 3M hydraulic BOP on 9-5/8" SOW x 11" 3M casing head, with 3M psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 1*.
- B. A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.
- C. Pressure Rating: 3,000 psi BOPE.
- D. Testing Procedure:

Blow-Out Preventer (Pipe Rams and Blind Rams)

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested

CONFIDENTIAL

to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

4. **Proposed Casing & Cementing Program:**

A. **Casing Program:** All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	16" O.D.	0.25" w.t.			40' (BGL)
12-1/4"	9-5/8" O.D.	36.0 #/ft	J55	STC	0 – 1606' (KB) est.
8-3/4"	5-1/2"	17.0 #/ft	K55	LTC	0'-4820' (KB) est.

The 9-5/8" surface casing will have guide shoe, 1 joint, and float collar. The shoe joint will be centralized with bowspring centralizers in the middle and top of the joint and bowspring centralizers will be placed on every other collar to surface (~22 centralizers total). Thread lock guide shoe and bottom of float collar.

The 5-1/2" production casing will have guide shoe. Liberty Pioneer anticipates the casing will be run with ~5 swell packers evenly spaced in the lateral section of hole to facilitate individual hydraulic fracturing stages in the lateral section.

The surface casing string will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

CONFIDENTIAL

B. Casing Design Parameters:

Depth (TVD)	Casing	Collapse (psi)/SF	Burst (psi)/SF	Tension (Mlbs)/SF
40' (GL)	16" OD	NA	NA	NA
1606' (KB)	9-5/8", 36.0#/ft, J55, STC	2020/ 2.7 (a)	3520/ 2.8 (b)	394M/ 6.8 (c)
0'-4807'	5-1/2" 17.0#/ft K55 STC	4910/ 3.4 (d)	5320/ 1.1 (e)	272/ 3.3 (f)

- (a) based on full evacuation of pipe with 9.0 ppg fluid in annulus
 (b) based on 9.0 ppg BHP with no fluid in annulus
 (c) based on casing string weight in air with no buoyancy
 (d) based upon full evacuation of pipe with 10.0 ppg fluid in annulus
 (e) based upon 10.0 ppg frac fluid weight plus additional 3500 psi surface pressure
 (f) based upon 4820' of casing in air with no buoyancy

C. Proposed Cementing Program**Surface Casing - Cemented to surface**

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
9-5/8"	Lead/Tail	1606	Howco Rockies LT cement + 0.25 pps Poly-E-Flake	483	100%	12.8	2.08

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft³/sx) cement will be premium cement w/ 3% CaCl₂ + 0.25 pps celloflake. Volume as required.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

Production Casing – It is anticipated that a DV tool will be run in the production string in the upper portion of the curve section at approximately 2400' MD. Below the DV tool, it is anticipated that ~5 swell packers will be run in the openhole lateral to facilitate up to 5 discreet perforated intervals and hydraulic fracture treatments. The 5-1/2" production casing will be cemented from the DV tool up to ~1100' (~500' inside the 9-5/8" surface casing shoe).

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
5-1/2"	Lead/Tail	1300'	Howco Rockies LT cement + 0.25 pps Poly-E-Flake	260	100% in openhole	12.8	2.08

CONFIDENTIAL

An alternative cementing procedure may be considered depending upon geologic conditions present at the time the lateral section of the well reaches total depth. Liberty Pioneer may elect to cement the 5-1/2" production casing throughout the length of the lateral hole. If Liberty Pioneer so elects, a cement design will be submitted to the BLM for approval via Sundry Notice prior to pumping the cement.

5. Drilling Fluids Program:

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' - 40' (KB)	<8.4	NA	28	Air/Mist
40'-1606' (KB)	8.4-9.0	NA	36-40	75/25 Oil-Based Mud
1606'- 4820' (MD)	8.6- 9.5	NA	36-40	75/25 Oil-Based Mud

A closed-loop mud system will be utilized while drilling with oil-based mud. Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations. All necessary spill prevention and remediation materials and procedures will be utilized to control any potential discharges of oil-based mud on the surface. A steel tank will be used to collect all of the oil-based mud cuttings. The cuttings will be disposed of at an approved disposal facility in accordance with the rules and regulations of the BLM and the UDOGM. The viscosities listed above are highly dependent upon wellbore temperature and may exceed the values presented.

6. Evaluation Program:

Tests: No drill stem tests are anticipated.

Coring: No cores are currently planned.

Samples: Two (2) sets of cleaned, dried, and labeled formation samples will be taken not less than every 20' from the base of the conductor casing at ~40' to total measured depth of 4820' MD/ 2807' TVD.

Logging

A Quad Combo (CNL/FDC/DIL/GR/CAL/BHC or Dipole Sonic) will be run in the 8-3/4" pilot hole from 2700' to the surface casing shoe (~1606') with GR run to surface. If the surface hole is drilled using an MWD or comparable system, a GR module may be run, which would negate the necessity of running the GR log to surface while running openhole logs in the 8-3/4" pilot hole.

A gamma ray module may be run in conjunction with the MWD or equivalent directional drilling system while drilling the curve and the lateral section of the hole.

All actual cement tops will be verified via visual observation or temperature logs, or at Liberty Pioneer's discretion, via running of a cement bond log.

CONFIDENTIAL

RECEIVED: Jul. 07, 2011

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on mud log analysis and surface shows. If a hydraulic fracture treatment is necessary, it will likely be a gelled-diesel system with approximately 80,000 pounds of 20/40 sand. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

No lost circulation is expected during the drilling of either the vertical or lateral sections of this well. No water flows are anticipated. Liberty Pioneer does not anticipate encountering any zones of potable water during the operations contemplated for this well.

Maximum anticipated bottom hole pressure equals approximately 866 psi (calculated at 0.434 psi/ft of hole) and maximum anticipated surface pressure equals approximately 681 psi (anticipated bottom hole pressure minus gas gradient of 0.1 psi/ft to surface).

8. Anticipated Starting Dates:

- Anticipated Commencement Date- June 1, 2011.
- Drilling Days- Approximately 17 days
- Completion Days - Approximately 10 days
- Anticipate location construction within 30 days of APD approval.

9. Variances:

None anticipated

10. Other:

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the Bureau of Land Management upon their receipt.

The BHL of the 12-1/4" vertical wellbore and the 8-3/4" vertical pilot hole will be determined by running single shot directional surveys, dropped or run on wireline, at intervals not less than every 400' of vertical hole drilled and on every bit trip in order to verify the location of the wellbore at the proposed KOP. Liberty Pioneer may elect to run an MWD while drilling the surface and/or pilot hole(s) in order to verify inclination and azimuth of those holes. Liberty Pioneer anticipates a GR tool will be run in the MWD package while drilling the curve and the lateral section of the wellbore to assist in maintaining the lateral within the target zone. Kick off point is anticipated to be at approximately 1976' MD/TVD. A curve will be built at a rate of 10 deg/ 100' to a terminal angle of ~82.5 degrees at an azimuth of approximately 50 degrees.

CONFIDENTIAL

RECEIVED: Jul. 07, 2011

General Description of Project:

The Federal 29-1H well is intended to be drilled as a horizontal well in the Juana Lopez "M" zone, a member of the Mancos Shale. After ~40' of 16" conductor casing is pre-set, the location will be prepared for oil-based mud operations, including but not limited to, berms around steel circulating tanks, 3 mil plastic pit liner laid under the steel tank, drip pans on key sections of the rig, and other required or prudent preparations. The well will be drilled using a closed system without the use of an earthen reserve pit. All oil-based mud formation cuttings will be captured in a steel tank and treated and disposed of in accordance with requirements of the BLM, UDOGM, and prudent oilfield operations.

The well will be spud with a 12-1/4" bit and oil-based mud in order to inhibit the extremely water-sensitive Mancos Shale. The 12-1/4" surface hole will be drilled to a depth of ~1606' MD/TVD. The surface hole will be control-drilled using either an MWD or equivalent inclination and azimuth control system to ensure the well does not drift away from the proposed KOP for the horizontal section. At a minimum, wireline directional surveys will be run at intervals not exceeding 500'. At ~1606' MD/TVD 9-5/8" 36#/ft J55 STC surface casing will be run and cemented to surface. If cement is not circulated to surface, or if cement falls past 10' BGL, the 9-5/8" x 12-1/4" annulus will be filled to surface from the top of cement to surface using 1" tubing.

The surface casing will be drilled out using an 8-3/4" bit, and a vertical pilot hole will be drilled to a depth of ~2700' MD/TVD. The pilot hole will be logged using a Quad-Combo logging suite with the potential addition of a dipmeter or formation imaging log. The GR will be run to surface, unless a gamma ray module was used on the MWD assembly used to control drill the surface hole.

After logging, a cement plug(s) will be set from 2700' to ~1700' to isolate the vertical pilot hole and provide a kick-off plug for drilling the curve of the Juana Lopez "M" horizontal. The proposed kick-off point and terminal inclination of the proposed horizontal leg will be adjusted after evaluation of the electric logs.

An 8-3/4" bit and directional drilling assembly will be run in the hole to dress off the cement plug to a proposed KOP of 1976' MD/TVD (or an adjusted KOP if openhole logs so dictate). The horizontal wellbore will be drilled pursuant to the attached directional plan. The intended build rate (BUR) of the curve section will be ~10.0 degrees per 100' at an azimuth of ~50 degrees. The terminal angle is estimated to be ~82.5 degrees, as it is anticipated the Juana Lopez "M" zone will be dipping down at ~7.5 degrees along the proposed target line azimuth. The projected end of build (EOB) at the Juana Lopez "M" target centerline will be at 2800' MD, 2544' TVD at a terminal inclination of 82.5 degrees and an azimuth of 50 degrees. From the EOB, the 8-3/4" lateral will be drilled at a projected inclination of 82.5 degrees and an azimuth of 50 degrees to a projected total depth of 4819' MD, 2807' TVD. A gamma ray module will be used in conjunction with the directional drilling assembly in order to assist Liberty Pioneer in its efforts to maintain the lateral leg within the Juana Lopez "M" zone.

After reaching TD of the horizontal leg, Liberty Pioneer will evaluate all drilling and geologic parameters to determine the appropriate completion technique. The preferred completion

CONFIDENTIAL

RECEIVED: Jul. 07, 2011

procedure will include running of a 5-1/2" 17.0 #/ft K55 LTC production string from surface to TD of the horizontal leg. The production string will include the installation of 5 swell packers in the Juana Lopez "M" horizontal section. The swell packers will be placed approximately 400' apart over the ~2020' of lateral section, allowing for 5 independent hydraulic fracturing stages. A multi-stage cementing tool (DV tool) will be placed at ~2400' MD in the upper 1/2 of the curve in order to facilitate cementing of the production string from the DV tool to a 1100' MD/TVD (approximately 500' up inside the surface casing shoe) prior to conducting hydraulic fracturing operations.

Depending on geologic conditions existing at the time the horizontal leg reaches TD, Liberty Pioneer may elect to cement the production string in place throughout the entire length of the lateral and up inside the surface casing shoe to ~1100'. In this case the production string in the lateral will be selectively perforated and hydraulically fracture treated.

If after reaching total depth of the lateral Liberty Pioneer determines from mud log samples and shows that establishment of commercial production from the Juana Lopez "M" zone is unlikely, the lateral leg will be plugged and abandoned in compliance with UDOGM rules and regulations and requirements of the BLM. Other potentially productive zones in the vertical section of hole will be evaluated prior to deciding to P&A the entire well.

CONFIDENTIAL

RECEIVED: Jul. 07, 2011

Federal 29-1H

LOCATED IN THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 34, TOWNSHIP 21 SOUTH, RANGE 19 EAST, SALT LAKE BASE & MERIDIAN, GRAND COUNTY, UTAH

Section 20
Township 19 East
Range S.L.B.&M.

Section 21
Township 19 East
Range S.L.B.&M.

Northwest Corner of
Section 29, T21S, R19E,
Salt Lake Base & Meridian

North Quarter Corner of
Section 29, T21S, R19E,
Salt Lake Base & Meridian
U.S.G.S. 1919 Brass Cap
Survey Monument

Proposed Federal 29-1H
Ground Elev. = 5009.20'

Section 29
Township 19 East
Range S.L.B.&M.

East Quarter Corner of
Section 29, T21S, R19E,
Salt Lake Base & Meridian
U.S.G.S. 1919 Brass Cap
Survey Monument

South Quarter Corner of
Section 29, T21S, R19E,
Salt Lake Base & Meridian
U.S.G.S. 1919 Brass Cap
Survey Monument

Southeast Corner of
Section 29, T21S, R19E,
Salt Lake Base & Meridian
Survey Monument

BASIS OF ELEVATIONS

THE BASIS OF ELEVATION IS N.G.S. 4898 BENCHMARK, LOCATED IN THE NORTHWEST QUARTER OF SECTION 34, T21S, R19E, S.L.B.&M. THE BENCHMARK IS A FIRST ORDER CLASS 2, MONUMENT WITH A PUBLISHED N.A.V.D. 88 ELEVATION OF 4903.27 FEET ABOVE MEAN SEE LEVEL.

BASIS OF HORIZONTAL DATUM

THE HORIZONTAL DATUM WAS ESTABLISHED USING THE UTAH A.G.R.C. TURN NETWORK. THIS IS A REAL TIME CORRECTED NETWORK THAT UTILIZES MULTIPLE FIXED BASE SOLUTIONS AND USES THE NAD83 HORIZONTAL DATUM. A GEODETIC CALCULATOR PROGRAM WAS USED TO CONVERT THE NAD83 TO NAD27 DATUM.

CENTER OF PROPOSED WELL HEAD

NAD83
LATITUDE = 38°57'47.0175" N
(38.96306042 N)
LONGITUDE = 109°50'13.1556" W
(109.83698767 W)
NAD27
LATITUDE = 38°57'47.1228" N
(38.96308667 N)
LONGITUDE = 109°50'10.7027" W
(109.83630630 W)



HANSEN & ASSOCIATES, INC.
Consulting Engineers and Land Surveyors
538 North Main Street, Brigham City, Utah 84302
Visit us at www.hansen.net
Logan (435) 752-4805 (801) 388-4805
Bryham City (435) 725-3401 (801) 388-4805

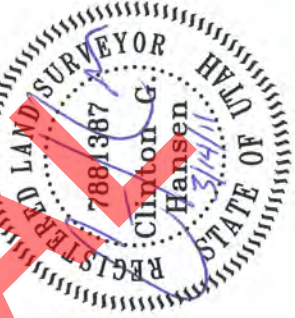
1	2/23/11	COH	Added Bottomhole
2	2/23/11	COH	Moved Site West
3	3/16/11	COH	



LEGEND

- SECTION LINE
- 40 ACRE LINE
- FOUND SECTION CORNER
- CALCULATED SECTION CORNER
- PROPOSED WELL HEAD
- BOTTOMHOLE

SURVEY CERTIFICATE
I, Clinton G. Hansen, do hereby certify that I am a Registered Land Surveyor, and that I hold Certificate No. 7881387 as prescribed by the Laws of the State of Utah, and that I have made and/or Supervised the survey of the property shown and described hereon and that this plat is a true and correct representation of said survey to the best of my knowledge and belief.



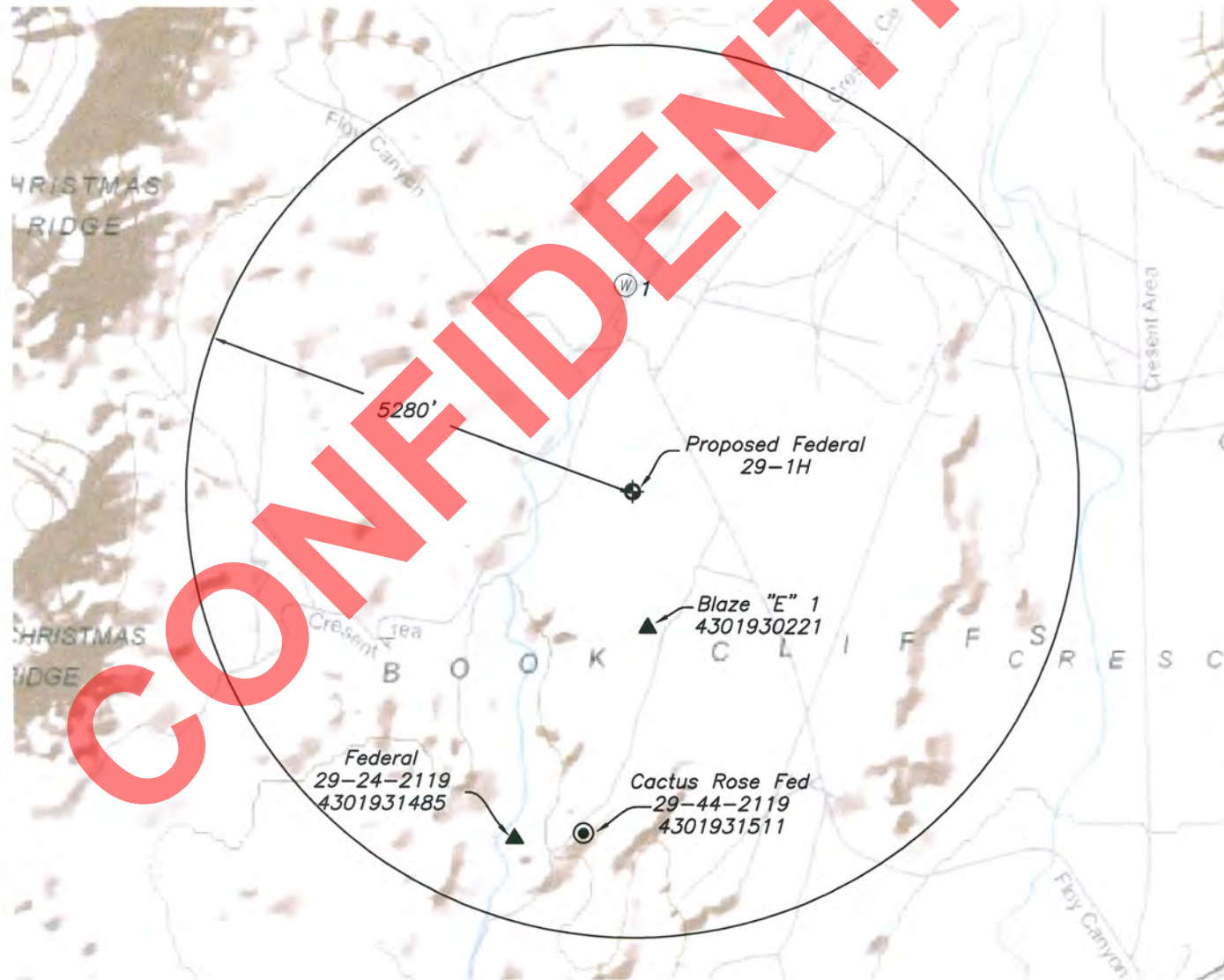
DATE
MAR 14, 2011

Liberty Pioneer Energy Source, Inc.
Location Surface Use Area & Road Right-of-Way for:

Drawn By: khw Date: 2/10/11
Checked By:
Approved By:
Scale: 1" = 1000'
Drawing File: Federal 29-1H.dwg
JOB NUMBER: 11-3-14

Federal 29-1H

LOCATED IN THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER
OF SECTION 29, TOWNSHIP 21 SOUTH, RANGE 19 EAST, SALT LAKE
BASE & MERIDIAN, GRAND COUNTY, UTAH

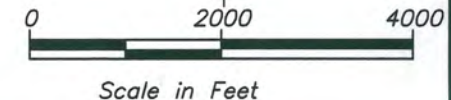


Water Well Chart

#	Distance	Water Right
1	2453	92-377

LEGEND

- Ⓜ WATER WELL
- ⊙ SHUT IN WELLS
- ▲ LOCATION ABANDONED WELL
- ⊕ PROPOSED WELL



THE LOCATION OF ADJACENT WELLS WERE OBTAINED FROM THE
UTAH STATE DIVISION OF OIL, GAS, & MINING WEB SITE AND THE
UTAH DIVISION OF WATER RIGHTS WEB SITE.

Drawn By: sdh Date: 2/10/11
 Checked By: _____
 Approved By: _____
 Scale: 1" = 2000'
 Drawing File: Federal 29-1H.dwg
 JOB NUMBER: 10-3-180

One Mile Radius Well Map For:
**Liberty Pioneer
 Energy Source, Inc.**

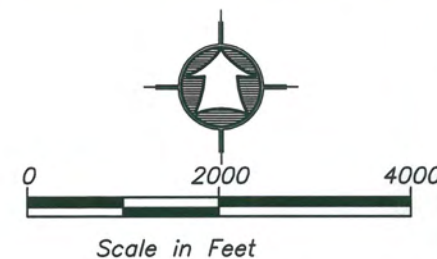


HANSEN & ASSOCIATES, INC.
 Consulting Engineers and Land Surveyors
 538 North Main Street, Brigham, Utah 84302
 Visit us at www.hais.com
 Brigham City, Utah
 (435) 733-5401 (801) 399-4005 (435) 733-4272

No.	Date	By	Revised
3	3/14/11	COH	Moved Site West

Federal 29-1H

LOCATED IN THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER
OF SECTION 29, TOWNSHIP 21 SOUTH, RANGE 19 EAST, SALT LAKE
BASE & MERIDIAN, BOX ELDER COUNTY, UTAH



HANSEN & ASSOCIATES, INC.
Consulting Engineers and Land Surveyors
538 North Main Street, Brigham, Utah 84302
Utah, US at Ogden
Brigham City, Utah (801) 732-3491 (801) 399-4903 (435) 732-4272
hansen@hansen.net

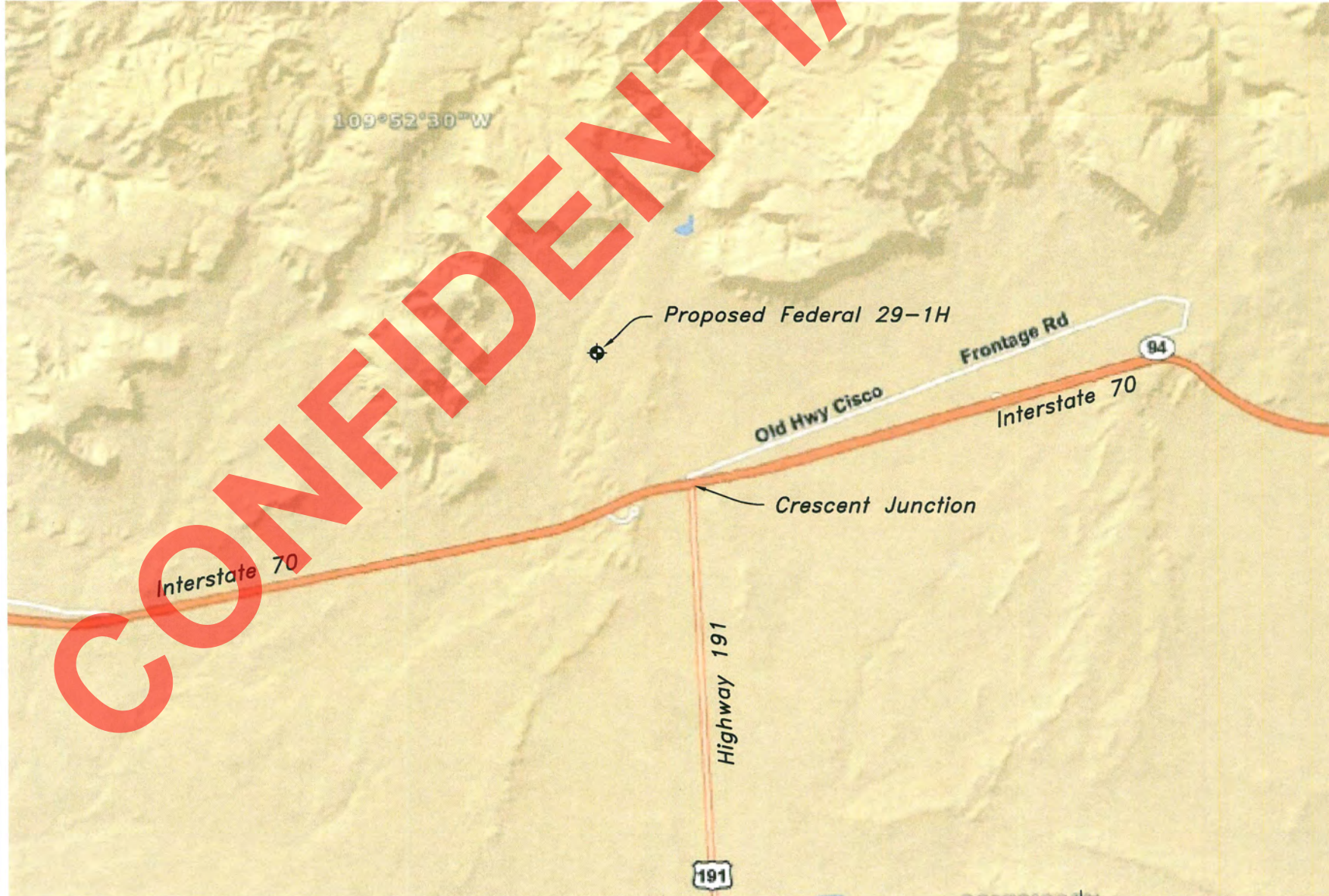


Drawn By: gah Date: 2/10/11
Designed By:
Checked By:
Approved By:
Scale: 1" = 2000'
Drawing File: Federal 29-1H.dwg
JOB NUMBER: 10-3-180

Topographic Map For:
**Liberty Pioneer
Energy Source, Inc.**

Federal 29-1H

LOCATED IN THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER
OF SECTION 29, TOWNSHIP 21 SOUTH, RANGE 19 EAST, SALT LAKE
BASE & MERIDIAN, BOX ELDER COUNTY, UTAH



Scale 1:100,000

Hansen & Associates, Inc. Consulting Engineers and Land Surveyors 538 North Main Street, Brigham, Utah 84302 Visit us at www.haiinc.com Logan Brigham City, Utah (801) 399-4605 (435) 753-4272		No.	3	3/14/11	gph	Moved Site West	Revision
HAI							
Drawn By: csh	Date: 2/10/11	Designed By:					
Checked By:		Approved By:					
Scale: 1:100,000		Drawing File: Federal 29-1H.dwg					
JOB NUMBER: 10-5-180							

Topographic Map For:
**Liberty Pioneer
Energy Source, Inc.**

LIBERTY PIONEER ENERGY SOURCE, INC.

Field: Grand County, UT
 Site: Federal 29-1H
 Well: 29-1H
 Wellpath: Lateral
 Plan: Plan #4

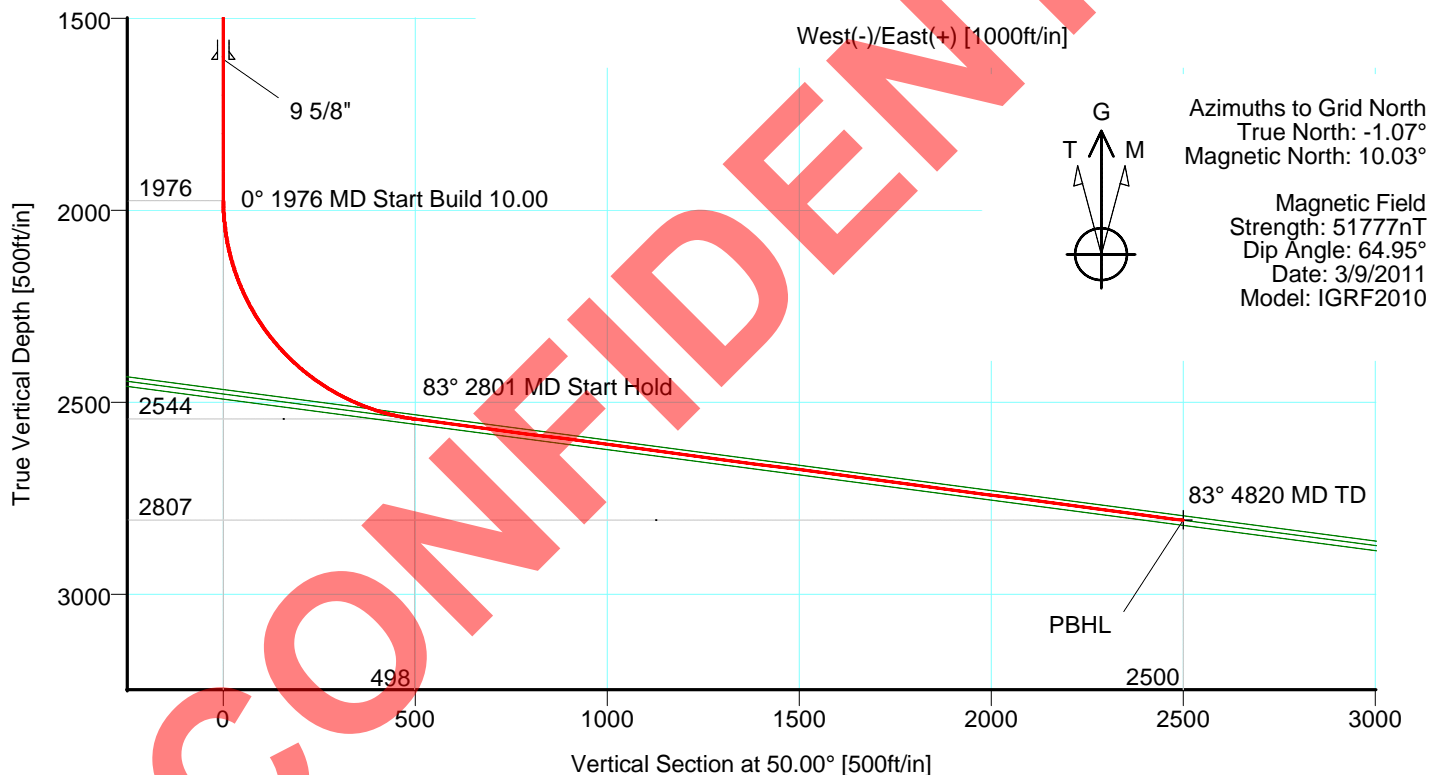
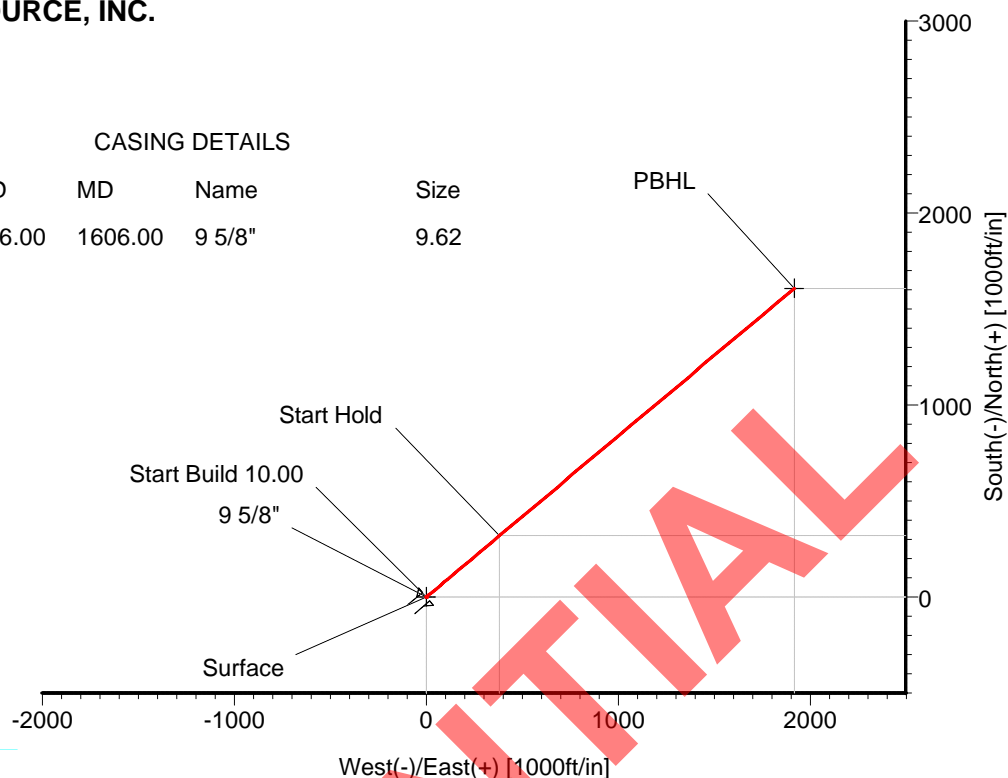
CASING DETAILS

No.	TVD	MD	Name	Size
1	1606.00	1606.00	9 5/8"	9.62

All Depths at 0°VS with 7.50° Dip

Target Top - 2466'KBTVD
 Target Centerline - 2478'KBTVD
 Target Base - 2491'KBTVD

8 3/4" Pilot Hole To Be
 Drilled to 2600' MD/TVD



Azimuths to Grid North
 True North: -1.07°
 Magnetic North: 10.03°

Magnetic Field
 Strength: 51777nT
 Dip Angle: 64.95°
 Date: 3/9/2011
 Model: IGRF2010

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
Surface	0.00	0.00	0.00	38°57'47.018N	109°50'13.156W	Point
PBHL	2807.12	1606.88	1915.11	38°58'02.545N	109°49'48.535W	Point

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	1975.53	0.00	50.00	1975.53	0.00	0.00	0.00	0.00	0.00	
3	2800.53	82.50	50.00	2543.58	320.21	381.63	10.00	50.00	498.17	
4	4819.57	82.50	50.00	2807.12	1606.88	1915.11	0.00	0.00	2499.94	PBHL

ALLIS-CHALMERS DIRECTIONAL DRILLING SERVICES
 1034 Regional Park Drive Houston, Texas 77060
 Phone: 713-934-9600 Fax: 713-934-9067

Plan: Plan #4 (29-1H/Lateral)

Created By: Ashley Wischnewsky

Date: 3/15/2011



RECEIVED: Jul. 07, 2011

Planning Report

Company: LIBERTY PIONEER ENERGY SOURCE,		Date: 3/15/2011	Time: 11:16:59	Page: 1
Field: Grand County, UT		Co-ordinate(NE) Reference: Well: 29-1H, Grid North		
Site: Federal 29-1H		Vertical (TVD) Reference: 5009'GL+15'KB 5024.0		
Well: 29-1H		Section (VS) Reference: Well (0.00N,0.00E,50.00Azi)		
Wellpath: Lateral		Plan: Plan #4		

Field: Grand County, UT	
Map System: US State Plane Coordinate System 1983	Map Zone: Utah, Central Zone
Geo Datum: GRS 1980	Coordinate System: Well Centre
Sys Datum: Mean Sea Level	Geomagnetic Model: IGRF2010

Site: Federal 29-1H New SL given on 3-10-11	
Site Position:	Northing: 6795450.45 ft
From: Geographic	Easting: 2113285.14 ft
Position Uncertainty: 0.00 ft	Latitude: 38 57 47.018 N
Ground Level: 4903.00 ft	Longitude: 109 50 13.156 W
	North Reference: Grid
	Grid Convergence: 1.07 deg

Well: 29-1H		Slot Name:	
Well Position: +N/-S 0.00 ft	Northing: 6795450.45 ft	Latitude: 38 57 47.018 N	
+E/-W 0.00 ft	Easting: 2113285.14 ft	Longitude: 109 50 13.156 W	
Position Uncertainty: 0.00 ft			

Wellpath: Lateral		Drilled From: Surface	
Current Datum: 5009'GL+15'KB	Height: 5024.00 ft	Tie-on Depth: 0.00 ft	
Magnetic Data: 3/9/2011		Above System Datum: Mean Sea Level	
Field Strength: 51777 nT		Declination: 11.09 deg	
Vertical Section: Depth From (TVD)	+N/-S	+E/-W	Direction
ft	ft	ft	deg
0.00	0.00	0.00	50.00

Plan: Plan #4		Date Composed: 3/15/2011
Updated RKB		Version: 1
Principal: No		Tied-to: From Surface

Plan Section Information										
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1975.53	0.00	50.00	1975.53	0.00	0.00	0.00	0.00	0.00	0.00	
2800.53	82.50	50.00	2543.58	320.21	381.63	10.00	10.00	0.00	50.00	
4819.57	82.50	50.00	2807.12	1606.88	1915.11	0.00	0.00	0.00	0.00	PBHL

Survey										
MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
1975.53	0.00	50.00	1975.53	0.00	0.00	0.00	0.00	0.00	0.00	
2000.00	2.45	50.00	1999.99	0.34	0.40	0.52	10.00	10.00	0.00	
2050.00	7.45	50.00	2049.79	3.11	3.70	4.83	10.00	10.00	0.00	
2100.00	12.45	50.00	2099.02	8.66	10.32	13.47	10.00	10.00	0.00	
2150.00	17.45	50.00	2147.32	16.94	20.19	26.36	10.00	10.00	0.00	
2200.00	22.45	50.00	2194.30	27.90	33.26	43.41	10.00	10.00	0.00	
2250.00	27.45	50.00	2239.62	41.46	49.41	64.50	10.00	10.00	0.00	
2300.00	32.45	50.00	2282.93	57.49	68.52	89.45	10.00	10.00	0.00	
2350.00	37.45	50.00	2323.90	75.90	90.46	118.08	10.00	10.00	0.00	
2400.00	42.45	50.00	2362.22	96.53	115.04	150.17	10.00	10.00	0.00	
2450.00	47.45	50.00	2397.60	119.22	142.09	185.49	10.00	10.00	0.00	
2500.00	52.45	50.00	2429.76	143.82	171.40	223.75	10.00	10.00	0.00	
2550.00	57.45	50.00	2458.47	170.12	202.75	264.66	10.00	10.00	0.00	
2600.00	62.45	50.00	2483.50	197.93	235.89	307.93	10.00	10.00	0.00	
2650.00	67.45	50.00	2504.67	227.03	270.58	353.21	10.00	10.00	0.00	
2700.00	72.45	50.00	2521.81	257.21	306.55	400.16	10.00	10.00	0.00	
2750.00	77.45	50.00	2534.79	288.24	343.53	448.43	10.00	10.00	0.00	

Planning Report

Company: LIBERTY PIONEER ENERGY SOURCE,
Field: Grand County, UT
Site: Federal 29-1H
Well: 29-1H
Wellpath: Lateral

Date: 3/15/2011 **Time:** 11:16:59 **Page:** 2
Co-ordinate(NE) Reference: Well: 29-1H, Grid North
Vertical (TVD) Reference: 5009'GL+15'KB 5024.0
Section (VS) Reference: Well (0.00N,0.00E,50.00Azi)
Plan: Plan #4

Survey

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Tool/Comment
2800.53	82.50	50.00	2543.58	320.21	381.63	498.17	10.00	10.00	0.00	
2900.00	82.50	50.00	2556.57	383.60	457.18	596.80	0.00	0.00	0.00	
3000.00	82.50	50.00	2569.62	447.33	533.13	695.94	0.00	0.00	0.00	
3100.00	82.50	50.00	2582.67	511.05	609.08	795.08	0.00	0.00	0.00	
3200.00	82.50	50.00	2595.72	574.78	685.04	894.23	0.00	0.00	0.00	
3300.00	82.50	50.00	2608.78	638.51	760.99	993.37	0.00	0.00	0.00	
3400.00	82.50	50.00	2621.83	702.23	836.94	1092.52	0.00	0.00	0.00	
3500.00	82.50	50.00	2634.88	765.96	912.89	1191.66	0.00	0.00	0.00	
3600.00	82.50	50.00	2647.93	829.69	988.84	1290.81	0.00	0.00	0.00	
3700.00	82.50	50.00	2660.99	893.41	1064.79	1389.95	0.00	0.00	0.00	
3800.00	82.50	50.00	2674.04	957.14	1140.74	1489.10	0.00	0.00	0.00	
3900.00	82.50	50.00	2687.09	1020.87	1216.69	1588.24	0.00	0.00	0.00	
4000.00	82.50	50.00	2700.14	1084.59	1292.64	1687.38	0.00	0.00	0.00	
4100.00	82.50	50.00	2713.20	1148.32	1368.59	1786.53	0.00	0.00	0.00	
4200.00	82.50	50.00	2726.25	1212.05	1444.54	1885.67	0.00	0.00	0.00	
4300.00	82.50	50.00	2739.30	1275.77	1520.50	1984.82	0.00	0.00	0.00	
4400.00	82.50	50.00	2752.35	1339.50	1596.45	2083.96	0.00	0.00	0.00	
4500.00	82.50	50.00	2765.41	1403.23	1672.40	2183.11	0.00	0.00	0.00	
4600.00	82.50	50.00	2778.46	1466.95	1748.35	2282.25	0.00	0.00	0.00	
4700.00	82.50	50.00	2791.51	1530.68	1824.30	2381.40	0.00	0.00	0.00	
4800.00	82.50	50.00	2804.57	1594.41	1900.25	2480.54	0.00	0.00	0.00	
4819.57	82.50	50.00	2807.12	1606.88	1915.11	2499.94	0.00	0.00	0.00	PBHL

Targets

Name	Description Dip. Dir.	TVD ft	+N/-S ft	+E/-W ft	Map Northing ft	Map Easting ft	<---- Latitude ----><--- Longitude --->		
Surface		0.00	0.00	0.00	6795450.45	2113285.14	38	57	47.018 N
PBHL -Plan hit target		2807.12	1606.88	1915.11	6797057.33	2115200.25	38	58	2.545 N
							109	49	48.535 W

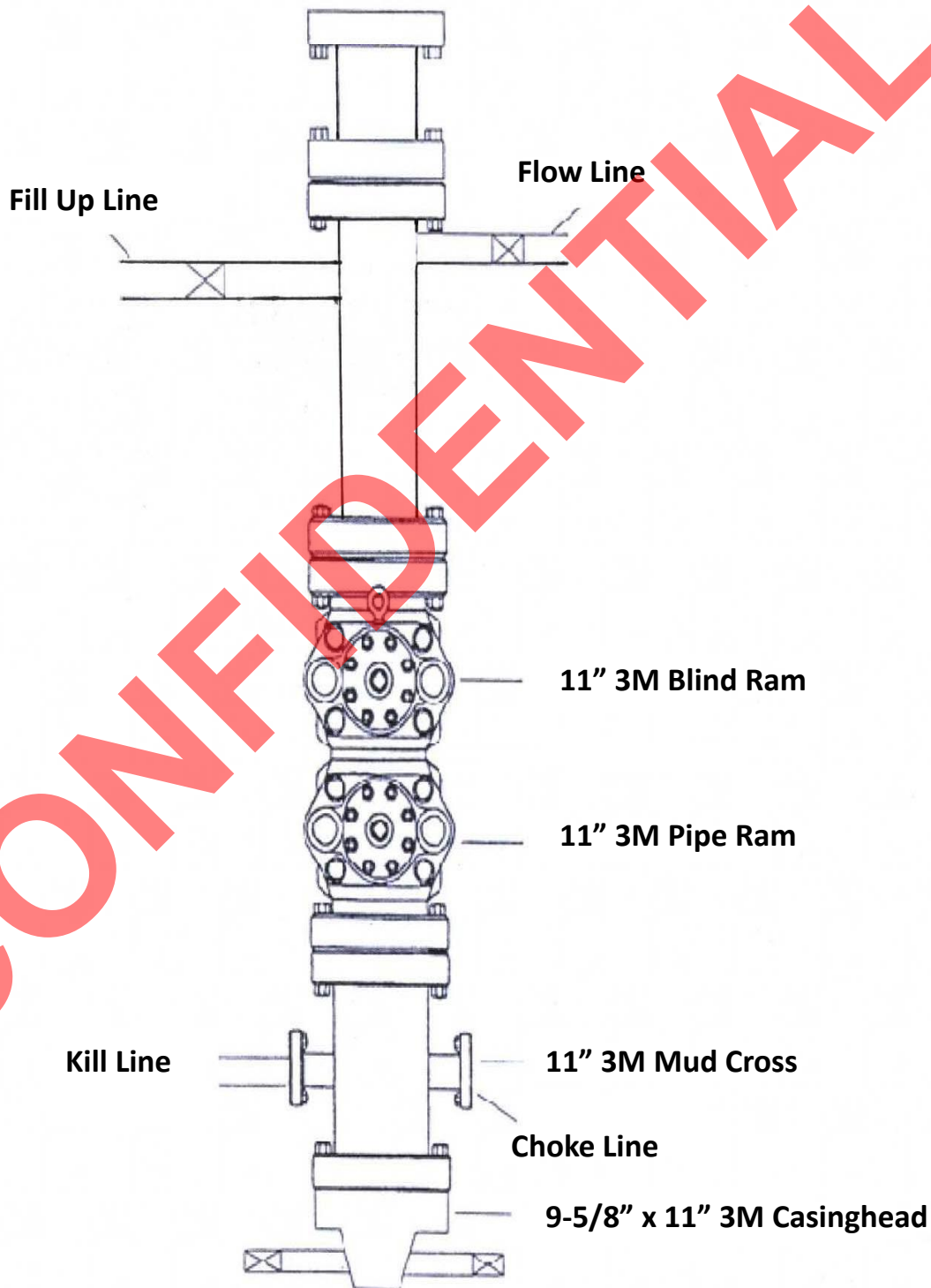
Casing Points

MD ft	TVD ft	Diameter in	Hole Size in	Name
1606.00	1606.00	9.62	12.25	9 5/8"



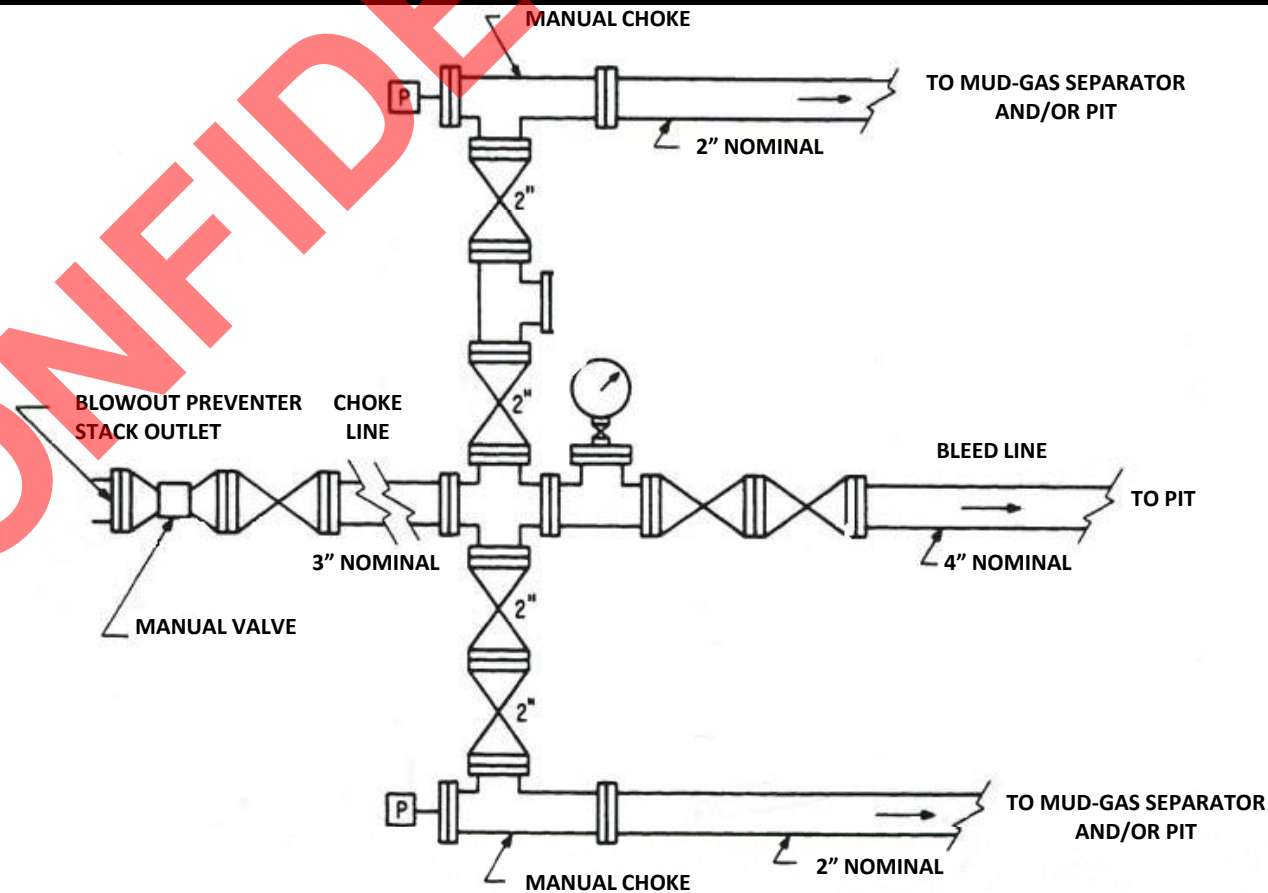
Proposed 3M BOP Equipment Diagram

Federal #29-1H
Section 29-T21S-R19E
Grand County, Utah





Federal #29-1H
Section 29-T21S-R19E
Grand County, Utah



3M Choke Manifold Schematic



2580 Creekview Road
Moab, Utah 84532
435/719-2018

June 24, 2011

Mrs. Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Exception to Spacing – Liberty Pioneer Energy Source, Inc. – **Federal #29-1H**
Surface Location: 465' FNL & 843' FEL, NE/4 NE/4, Section 29,
Target Location: 1,108' FSL & 1,102' FWL, SW/4 SW/4, Section 21,
T21S, R19E, SLB&M, Grand County, Utah

Dear Diana:

On behalf of Liberty Pioneer Energy Source, Inc. (Liberty Pioneer), Star Point Enterprises, Inc. respectfully submits this request for exception to spacing (R649-3-3) based on geology since the well is located less than 460 feet to the drilling unit boundary. Liberty Pioneer Energy Source, Inc. is the only owner and operator within 460' of the surface and target location as well as all points along the intended well bore path and are not within 460 feet of any uncommitted tracts or a unit boundary.

Thank you very much for your timely consideration of this application. Please feel free to contact Kimball Hodges at 801-224-4771 or myself should you have any questions or need additional information.

Sincerely,

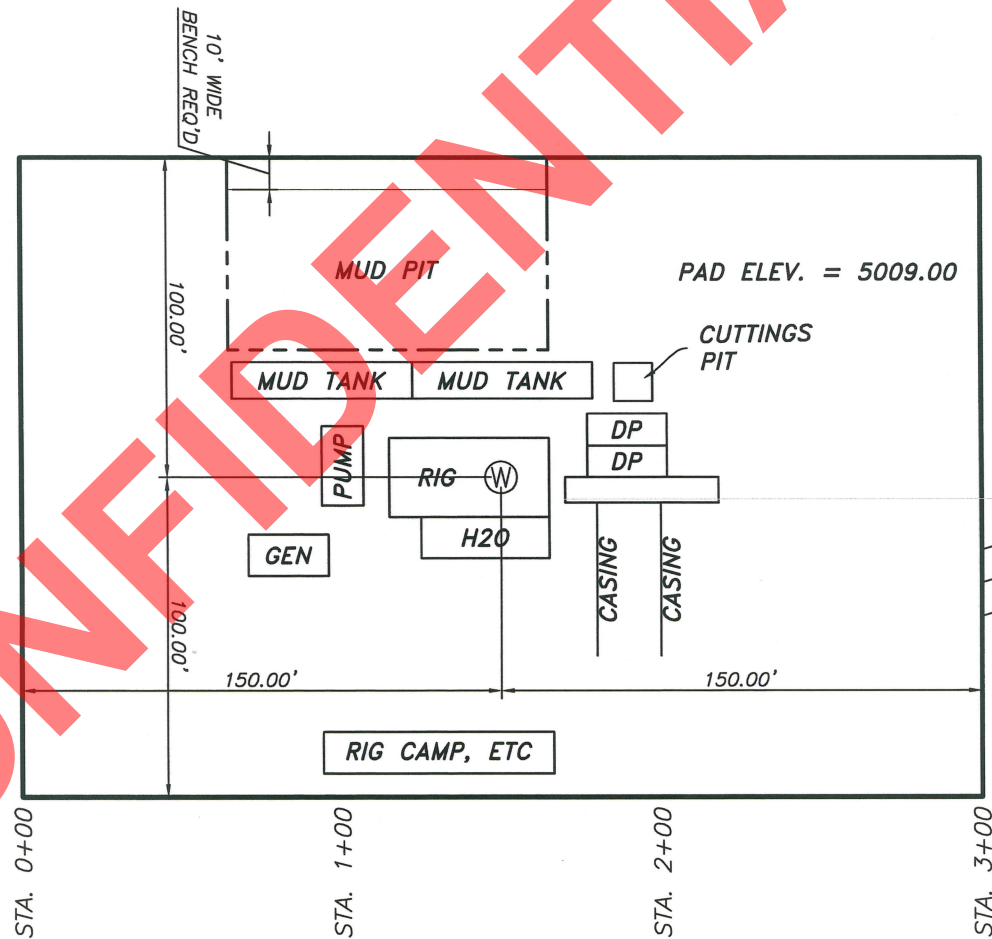
A handwritten signature in blue ink that reads "Don Hamilton".

Don Hamilton
Agent for Liberty Pioneer Energy Source, Inc.

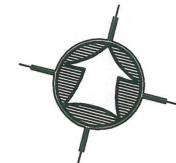
cc: Kimball Hodges, Liberty Pioneer Energy Source, Inc.

Federal 29-1H

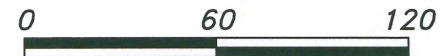
LOCATED IN THE NORTHEAST QUARTER OF THE NORTHEAST
QUARTER OF SECTION 29, TOWNSHIP 21 SOUTH, RANGE 19 EAST,
SALT LAKE BASE & MERIDIAN, GRAND COUNTY, UTAH

**LEGEND:**

————— PROPERTY BOUNDARY
————— EXISTING EDGE OF GRAVEL



SCALE: 1" = 60'



HANSEN & ASSOCIATES, INC.
Consulting Engineers and Land Surveyors
538 North Main Street, Brigham, Utah 84302
Visit us at www.hansen.net
Brigham City, Utah
(435) 735-3671 (ext) 300-4000 (435) 735-4272



Drawn By: BD Date: 2/1/11
Designed By: _____
Checked By: _____
Approved By: _____
Scale: 1" = 60'
Drawing File: 11-3-14.dwg
JOB NUMBER: 11-3-14

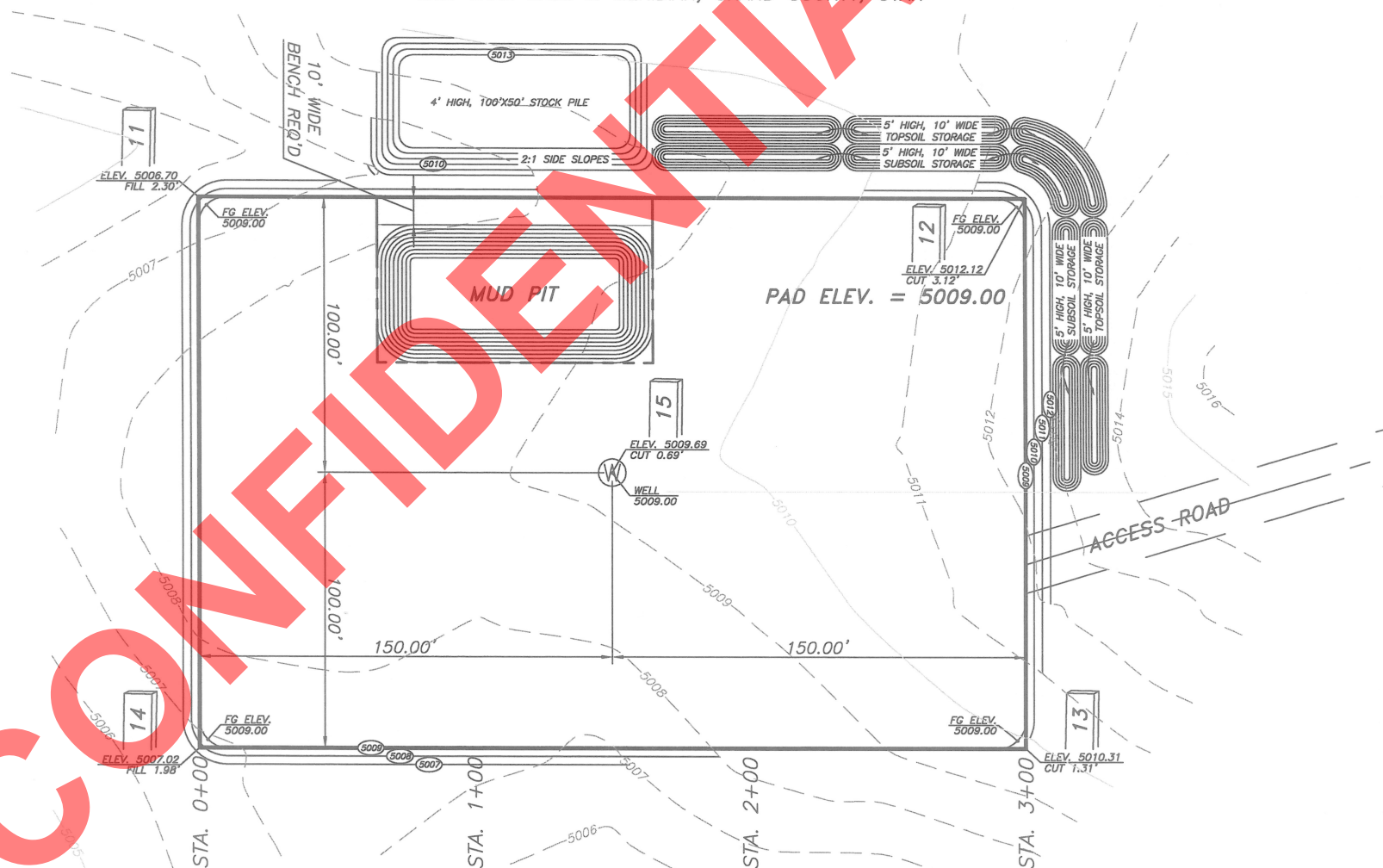
FEDERAL 29-1H
LAYOUT DESIGN FOR
LIBERTY PIONEER
ENERGY SOURCE, INC.
BOX ELDER COUNTY, UTAH

SHEET
1
of
3
SHEETS

No.	Date	By	Revision
3	3/14/11	BD	MOVED SITE WEST

Federal 29-1H

LOCATED IN THE NORTHEAST QUARTER OF THE NORTHEAST
QUARTER OF SECTION 29, TOWNSHIP 21 SOUTH, RANGE 19 EAST,
SALT LAKE BASE & MERIDIAN, GRAND COUNTY, UTAH

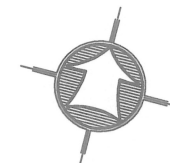


**CUBIC YARDS
SITE VOLUME TABLE:**

STRIPPED
TOPSOIL CUT = 1,111
MUD PIT CUT = 987
FILL YARDS = 985
NET CUT = 1,113

LEGEND:

- PROPERTY BOUNDARY
- EXISTING EDGE OF GRAVEL
- EXISTING 5' CONTOUR
- EXISTING 1' CONTOUR
- DESIGN CONTOUR



SCALE: 1" = 60'



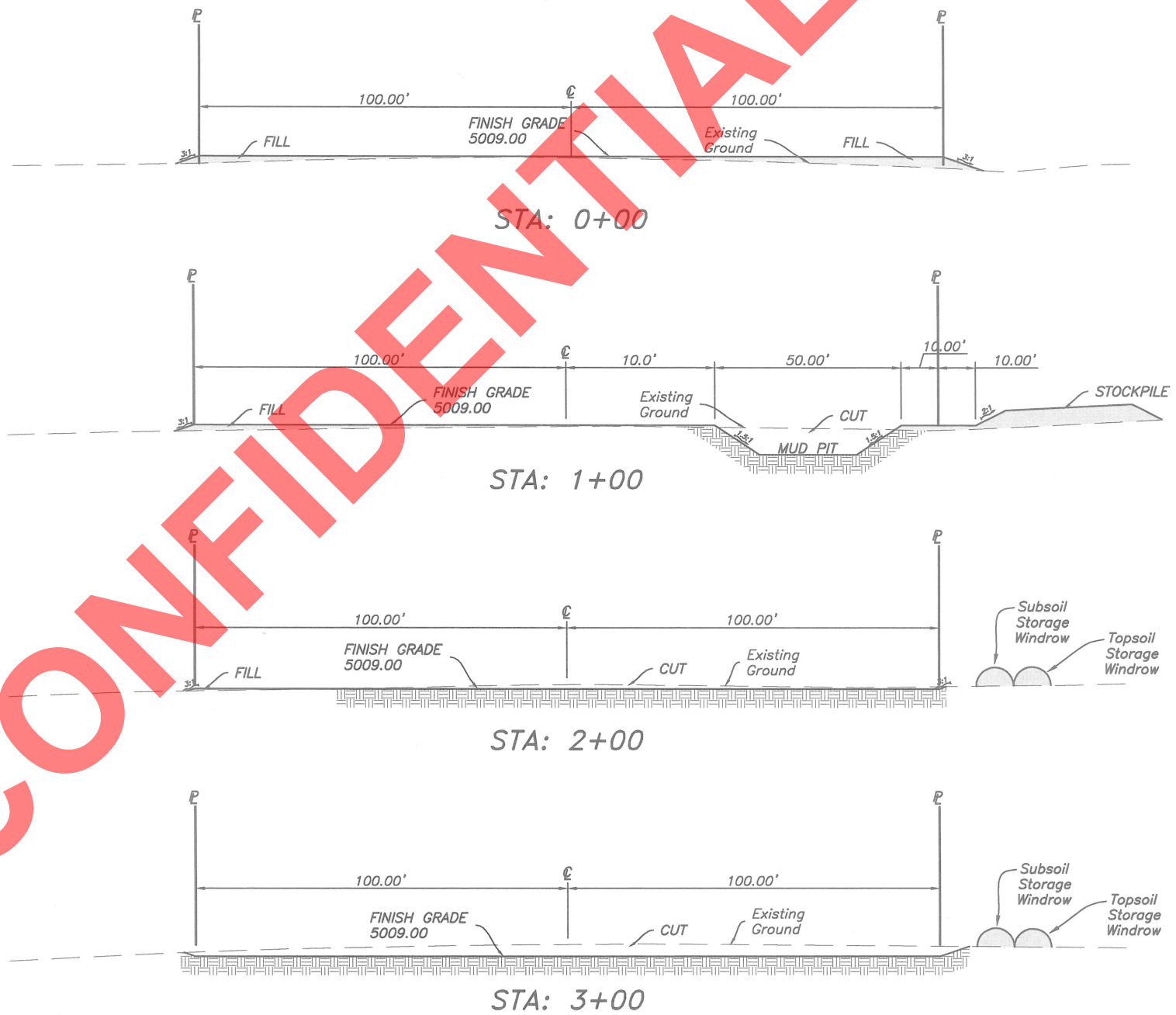
HANSEN & ASSOCIATES, INC.
Consulting Engineers and Land Surveyors
539 North Main Street, Brigham, Utah 84302
Visit us at www.hansen.net
Brigham City, Utah 84302
(801) 725-9001 (fax) 725-9008



Drawn By: BD Date: 2/1/11
Designed By: _____
Checked By: _____
Approved By: _____
Scale: 1" = 60'
Drawing File: 11-3-14.dwg
JOB NUMBER: 11-3-14

**FEDERAL 29-1H
GRADING DESIGN FOR
LIBERTY PIONEER
ENERGY SOURCE, INC.**
BOX ELDER COUNTY, UTAH

SHEET
2
OF
3
SHEETS



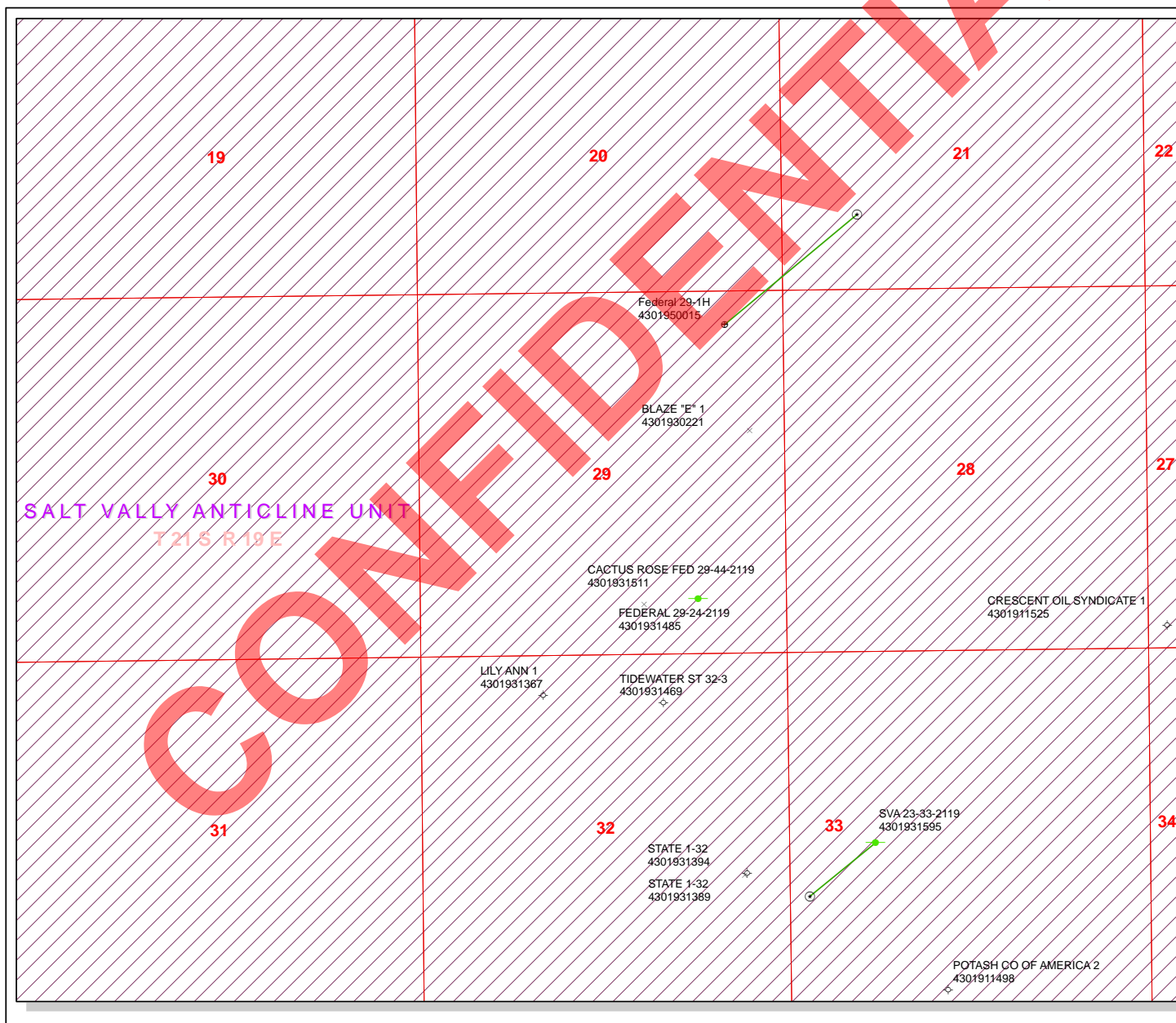
HANSEN & ASSOCIATES, INC.
 Consulting Engineers and Land Surveyors
 530 North Main Street, Brigham, Utah 84302
 Visit us at www.hansen.net
 Brigham City, Utah 84302
 (801) 725-4000 (fax) 725-4000



Drawn By: BD Date: 2/1/11
 Designed By: _____
 Checked By: _____
 Approved By: _____
 Scale: 1" = 40'
 Drawing File: 11-3-14.dwg
 JOB NUMBER: 11-3-3-14

FEDERAL 29-1H
 TYPICAL CROSS SECTIONS FOR
LIBERTY PIONEER
ENERGY SOURCE, INC.
 BOX ELDER COUNTY, UTAH

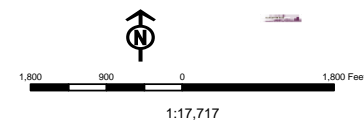
SHEET
 3
 OF
 3
 SHEETS



API Number: 4301950015
Well Name: Federal 29-1H
Township T2.1 . Range R1.9 . Section 29
Meridian: SLBM
Operator: LIBERTY PIONEER ENERGY SOURCE, INC

Map Prepared:
Map Produced by Diana Mason

Units	Wells Query
STATUS	Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LA - Location Abandoned
PI OIL	LOC - New Location
PP GAS	DPS - Operation Suspended
PP GEOTHERMAL	PA - Plugged Abandoned
PP OIL	PGW - Producing Gas Well
SECONDARY	POW - Producing Oil Well
TERMINATED	RET - Returned APD
Fields	STATUS
Unknown	SGW - Shut-in Gas Well
ABANDONED	SOW - Shut-in Oil Well
ACTIVE	TA - Temp. Abandoned
COMBINED	TW - Test Well
INACTIVE	WDW - Water Disposal
STORAGE	WIW - Water Injection Well
TERMINATED	WSW - Water Supply Well
Sections	
Township	



WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 6/24/2011**API NO. ASSIGNED:** 43019500150000**WELL NAME:** Federal 29-1H**OPERATOR:** LIBERTY PIONEER ENERGY SOURCE, INC (N2855)**PHONE NUMBER:** 435 719-2018**CONTACT:** Don Hamilton**PROPOSED LOCATION:** NENE 29 210S 190E**Permit Tech Review:** ☒**SURFACE:** 0465 FNL 0843 FEL**Engineering Review:** ☐**BOTTOM:** 1108 FSL 1102 FWL**Geology Review:** ☒**COUNTY:** GRAND**LATITUDE:** 38.96306**LONGITUDE:** -109.83619**UTM SURF EASTINGS:** 600833.00**NORTHINGS:** 4313113.00**FIELD NAME:** WILDCAT**LEASE TYPE:** 1 - Federal**LEASE NUMBER:** UTU-77523/76557/8116**PROPOSED PRODUCING FORMATION(S):** MANCOS**SURFACE OWNER:** 1 - Federal**COALBED METHANE:** NO**RECEIVED AND/OR REVIEWED:**

- ☒ **PLAT**
- ☒ **Bond:** FEDERAL - UTB00034
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☒ **Water Permit:** Thompson City municiple water
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☐ **Intent to Commingle**
- Commingling Approved**

LOCATION AND SITING:

- ☐ **R649-2-3.**
- Unit:** CRESCENT
- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☒ **Drilling Unit**
- Board Cause No:** R649-3-2
- Effective Date:**
- Siting:**
- ☒ **R649-3-11. Directional Drill**

Comments: Presite Completed**Stipulations:** 4 - Federal Approval - dmason
15 - Directional - bhll**RECEIVED:** Jul. 07, 2011



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Federal 29-1H
API Well Number: 43019500150000
Lease Number: UTU-77523/76557/8116
Surface Owner: FEDERAL
Approval Date: 7/7/2011

Issued to:

LIBERTY PIONEER ENERGY SOURCE, INC, 1411 East 840 North, Orem, UT 84097

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the MANCOS Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <http://oilgas.ogm.utah.gov>

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:

A handwritten signature in black ink, appearing to read "John Rogers", written over a horizontal line.

For John Rogers
Associate Director, Oil & Gas

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING

CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

12/28/2011

FROM: (Old Operator):

N2855- Liberty Pioneer Energy Source, Inc.
1411 East 840 North
Orem UT 84097
Phone: 1 (801) 224-4771

TO: (New Operator):

N3000- Tidewater Oil & Gas Company, LLC
110 16th Street, Ste 405
Denver CO 80202
Phone: 1 (303) 468-0656

CA No.

Unit:

Crescent

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
FEDERAL 29-1H	29	210S	190E	4301950015		Federal	OW	APD

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 2/9/2012
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 2/9/2012
3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 2/9/2012
- 4a. Is the new operator registered in the State of Utah: Yes Business Number: 5788436-0161
- 5a. (R649-9-2) Waste Management Plan has been received on: Requested 02/09/2012
- 5b. Inspections of LA PA state/fee well sites complete on: N/A
- 5c. Reports current for Production/Disposition & Sundries on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA
7. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 1/30/2012
8. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
9. **Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 2/9/2012
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/9/2012
3. Bond information entered in RBDMS on: 2/9/2012
4. Fee/State wells attached to bond in RBDMS on: N/A
5. Injection Projects to new operator in RBDMS on: N/A
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 2/9/2012

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000211
2. Indian well(s) covered by Bond Number: N/A
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number N/A
- 3b. The **FORMER** operator has requested a release of liability from their bond on: N/A

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER UTU-77523, 76557, 81169
2. NAME OF OPERATOR Tidewater Oil & Gas Company LLC <i>N3000</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: NA
3. ADDRESS OF OPERATOR: 110 16th Street, Suite 405 CITY Denver STATE CO ZIP 80214		7. UNIT or CA AGREEMENT NAME: Crescent Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE 465' FNL & 843' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 29 21S 19E S		8. WELL NAME and NUMBER: Federal 29-1H
PHONE NUMBER: (303) 468-0656		9. API NUMBER: 4301950015
COUNTY: Grand		10. FIELD AND POOL, OR WILDCAT: Exploratory
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 12/28/2011	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:		<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____

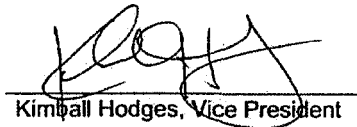
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS Clearly show all pertinent details including dates, depths, volumes, etc

Effective 12/28/2011, Liberty Pioneer Energy Source, Inc resigned as operator of the referenced well and requested that the successor operator, Tidewater Oil & Gas Company LLC be approved, and that the Approved Permit to Drill the referenced well be transferred from Liberty Pioneer to Tidewater.

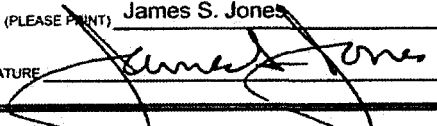

James S. Jones, Manager

Tidewater Oil & Gas Company LLC
110 16th Street, Suite 405
Denver, CO 80202
303.884.5505

BLM Bond
UTB000211


Kimball Hodges, Vice President

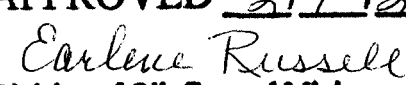
Liberty Pioneer Energy Source, Inc. *N2855*
1411 East 840 North
Orem, UT 84097
801-224-4771

NAME (PLEASE PRINT) <u>James S. Jones</u>	TITLE <u>Manager</u>
SIGNATURE 	DATE <u>2/8/2012</u>

(This space for State use only)

APPROVED 2/9/2012

(5/2009)


Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

FEB 09 2012

Div. of Oil, Gas & Mining

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Request to Transfer Application or Permit to Drill

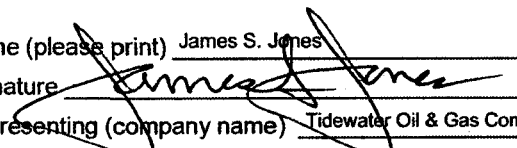
(This form should accompany a Sundry Notice, Form 9, requesting APD transfer)

Well name:	Federal 29-1H
API number:	4301950015
Location:	Qtr-Qtr: NENE Section: 29 Township: 21S Range: 19E
Company that filed original application:	Liberty Pioneer Energy Source, Inc.
Date original permit was issued:	09/08/2011
Company that permit was issued to:	Liberty Pioneer Energy Source, Inc.

Check one	Desired Action:
<input type="checkbox"/>	Transfer pending (unapproved) Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property, hereby verifies that the information as submitted in the pending Application for Permit to Drill, remains valid and does not require revision. The new owner of the application accepts and agrees to the information and procedures as stated in the application.
<input checked="" type="checkbox"/>	Transfer approved Application for Permit to Drill to new operator
<input type="checkbox"/>	The undersigned as owner with legal rights to drill on the property as permitted, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.	Yes	No
If located on private land, has the ownership changed?		
<input type="checkbox"/> If so, has the surface agreement been updated?		
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?		✓
Have there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?		✓
Have there been any changes to the access route including ownership or right-of-way, which could affect the proposed location?		✓
Has the approved source of water for drilling changed?		✓
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?		✓
Is bonding still in place, which covers this proposed well? Bond No. <u>UTB000211</u>		

Any desired or necessary changes to either a pending or approved Application for Permit to Drill that is being transferred, should be filed on a Sundry Notice, Form 9, or amended Application for Permit to Drill, Form 3, as appropriate, with necessary supporting information as required.

Name (please print) James S. Jones Title Manager
Signature  Date 02/08/2012
Representing (company name) Tidewater Oil & Gas Company LLC (APD being transferred from Liberty Pioneer Energy Source to Tidewater)

The person signing this form must have legal authority to represent the company or individual(s) to be listed as the new operator on the Application for Permit to Drill.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov/ut/st/en.html>



RECEIVED

FEB 01 2012

DIV. OF OIL, GAS & MINING

JAN 30 2012

IN REPLY REFER TO:
3180 (88212X)
UT9221000

Tidewater Oil & Gas Company LLC
Attn: Mr. James S. Jones
110 16th Street, Suite 405
Denver, Colorado 80202

Re: Successor Unit Operator
Crescent Unit
Agreement No. 88212X
Grand County, Utah

Dear Mr. James S. Jones:

On December 29, 2011, we received an indenture dated December 7, 2011, whereby Liberty Pioneer Energy Source, Inc., resigned as Unit Operator and Tidewater Oil & Gas Company LLC was designated as Successor Unit Operator for the Crescent Unit, Grand County, Utah. The indenture was executed by both parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement.

The instrument is hereby approved. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Crescent Unit Agreement.

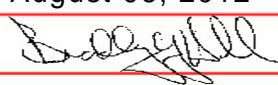
Your statewide oil and gas bond, No UTB000211 will be used to cover unit operations.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate Federal offices, with one copy returned herewith.

Sincerely,

Roger L. Bankert
Chief, Branch of Minerals

Enclosure

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-77523/76557
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: TIDEWATER OIL & GAS COMPANY, LLC		7. UNIT or CA AGREEMENT NAME: CRESCENT
3. ADDRESS OF OPERATOR: 110 16th St Ste 1220 , Denver, CO, 80202		8. WELL NAME and NUMBER: FEDERAL 29-1H
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0465 FNL 0843 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 29 Township: 21.0S Range: 19.0E Meridian: S		9. API NUMBER: 43019500150000
PHONE NUMBER: 303 468-0656 Ext 201		9. FIELD and POOL or WILDCAT: WILDCAT
COUNTY: GRAND		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/1/2012 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Tidewater Oil & Gas Company LLC hereby requests an extension of its approved application to drill the Federal 29-1H well in Sec 29-T21S-R19E for a period of one year. At this time the Federal 29-1H well has been identified as the first Unit Obligation well for the Federal Horizontal Mancos Unit (the Crescent Unit), and if the well is so drilled, Tidewater anticipates spud of the well in September, 2012. Tidewater is in possession of an approved Federal permit to drill.		
NAME (PLEASE PRINT) Walter Lowry		PHONE NUMBER 303 884-5505
SIGNATURE N/A		TITLE Engineer
DATE 7/31/2012		APPROVED BY THE Utah Division of Oil, Gas and Mining Date: August 06, 2012 By: 



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43019500150000

API: 43019500150000

Well Name: FEDERAL 29-1H

Location: 0465 FNL 0843 FEL QTR NENE SEC 29 TWNP 210S RNG 190E MER S

Company Permit Issued to: TIDEWATER OIL & GAS COMPANY, LLC

Date Original Permit Issued: 7/7/2011

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Walter Lowry

Date: 7/31/2012

Title: Engineer

Representing: TIDEWATER OIL & GAS COMPANY, LLC



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 16, 2013

Tidewater Oil & Gas Company, LLC
110 16th St. Ste. 1220
Denver, CO 80202

Re: APD Rescinded – Federal 29-1H, Sec. 29, T.21, R.19E,
Grand County, Utah API No. 43-019-50015


Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on July 7, 2011. On August 6, 2012 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective September 16, 2013.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal